



United States
Department of
Agriculture

August 21, 2008

Risk
Management
Agency

INFORMATIONAL MEMORANDUM: PM-08-041

Beacon Facility-
Mail Stop 0801
P.O. Box 419205
Kansas City, MO
64141-6205

TO: All Approved Insurance Providers
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: Tim B. Witt */s/ Tim B. Witt*
Deputy Administrator

SUBJECT: 2009 Crop Year Group Risk Plan and Group Risk Income Protection
Subsidy Changes

BACKGROUND:

Section 508(e) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)), as amended by section 12012 of the Food, Conservation, and Energy Act of 2008, sets premium subsidy factors, by coverage level, for area revenue plans and area yield plans. Area revenue plans include the Group Risk Income Protection plan of insurance (GRIP). Area yield plans include the Group Risk Plan plans of insurance (GRP), which also includes the Rainfall Index and Vegetation Index plans of insurance.

ACTION:

The subsidy factors for GRP and GRIP effective for the 2009 crop year are presented in the following table and are posted on the actuarial documents.

Coverage Level	70%	75%	80%	85%	90%
New GRIP Subsidy Factor	0.59	0.55	0.55	0.49	0.44
New GRP Subsidy Factor	0.59	0.59	0.55	0.55	0.51

DISPOSAL DATE:

This Informational Memorandum is for the purpose of transmitting information and the expiration date is December 31, 2008.



The Risk Management Agency Administers
And Oversees All Programs Authorized Under
The Federal Crop Insurance Corporation

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